

**ORIGINAL**

**INTERVENTION**



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**BEFORE THE ARIZONA CORPORATION COM**

**COMMISSIONERS:**

**KRISTIN K. MAYES - Chair**

**GARY PIERCE**

**PAUL NEWMAN**

**SANDRA D. KENNEDY**

**BOB STUMP**

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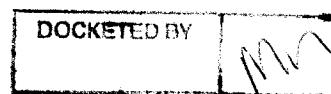
AZ CORP COMMISSION  
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION  
OF ARIZONA-AMERICAN WATER  
COMPANY, AN ARIZONA CORPORATION,  
FOR A DETERMINATION OF THE  
CURRENT FAIR VALUE OF ITS UTILITY  
PLANT AND PROPERTY AND FOR  
INCREASES IN ITS RATES AND CHARGES  
BASED THEREON FOR UTILITY SERVICE  
BY ITS ANTHEM WATER DISTRICT AND  
ITS SUN CITY WATER DISTRICT, AND  
POSSIBLE RATE CONSOLIDATION FOR  
ALL OF ARIZONA-AMERICAN  
COMPANY'S DISTRICTS.

DOCKET NO. W-1303A-09-0343

Arizona Corporation Commission  
**DOCKETED**

APR 14 2010



IN THE MATTER OF THE APPLICATION  
OF ARIZONA-AMERICAN WATER  
COMPANY, AN ARIZONA CORPORATION,  
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BY ITS ANTHEM/AGUA FRIA  
WASTEWATER DISTRICT, ITS SUN CITY  
WASTEWATER DISTRICT AND ITS SUN  
CITY WEST WASTEWATER DISTRICT,  
AND POSSIBLE RATE CONSOLIDATION  
FOR ALL OF ARIZONA-AMERICAN  
COMPANY'S DISTRICTS

DOCKET NO. SW-01303A-09-0343

**CORTE BELLA'S MOTION TO  
INTERVENE IN PHASE TWO (RATE  
DESIGN AND RATE CONSOLIDATION)**

Pursuant to A.A.C. R14-3-105, Mashie, LLC (Mashie), an Arizona limited liability  
company doing business as Corte Bella Golf Club ("Corte Bella"), hereby moves to  
intervene in the second phase of the above-captioned matter pending before the Arizona

Corporation Commission (the “Commission”). In support of this motion, Corte Bella states as follows:

Mashie owns and operates Corte Bella, which is located within the Agua Fria Water District and receives water services from the applicant in this rate case, Arizona American Water Company (“Arizona-American”). Corte Bella is surrounded by approximately 1,650 homes and was constructed, along with the surrounding residences, by Del Webb Corporation in 2004.

Arizona-American currently delivers “Irrigation Non Potable” water to Corte Bella, and charges Corte Bella the tariffed rate for that water. Prior to the current rate proceeding, Corte Bella paid \$0.62 per thousand gallons or \$202.00 per acre foot to Arizona-American for Irrigation Non Potable water. Pursuant to Commission Decision No. 71410 (Dec. 8, 2009), the rate for Irrigation Non Potable water jumped to \$2.7280 per thousand gallons or \$889.00 per acre foot. Arizona-American had not requested a four-fold increase in the Irrigation Non Potable water rate for its customers. In fact, the record indicates that no interested intervenor or member of the public requested such a high rate for non potable water.

The rate charged by Arizona-American for Irrigation Non Potable water directly and materially affects Corte Bella’s operations. Corte Bella cannot financially continue operating this golf course, which receives heavy use and is an economic driver for the surrounding community, if this four-fold rate increase is not adjusted downward. It appears that this rate for Irrigation Non Potable water is grossly excessive and violates basic cost of service principles. Further, this rate for irrigation water turns traditional Arizona water policy on its

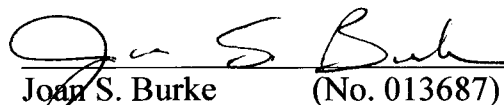
head. Golf courses and large industrial users have consistently been challenged by the Commission and the Department of Water Resources to use effluent, renewable, and/or non-potable water wherever possible to reduce reliance on groundwater.

The water supply for Corte Bella is 100 percent renewable, was developed with the full cooperation of Arizona-American, and is consistent with their long-term water management plans. This abrupt rate increase forces Corte Bella to pursue independent water supply alternatives that are considerably less expensive than paying this non-potable water rate. Unfortunately, these alternatives will have to be pursued without regard for compatibility with Arizona-American's water management plans and will strand existing infrastructure whose sole purpose is to deliver renewable, non-potable water to Corte Bella.

Corte Bella requests that the Commission grant this motion to intervene and proceed to review the Irrigation Non Potable water rate for irrigation users in connection with the second phase of the above-captioned matter. The new rate of \$2.7280 adopted in Decision No. 71410 appears to violate Arizona law insofar as it is not related to the cost of service and is not fair, just, or reasonable.

Submitted this 14<sup>th</sup> day of April, 2010.

By:

  
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ORIGINAL and 13 copies of the foregoing  
filed this 14<sup>th</sup> day of April, 2010, with:

**Docket Control**

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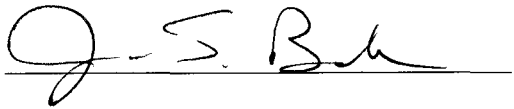
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A handwritten signature in black ink, appearing to read "J. S. Beh", is written over a horizontal line.